Form (2)
Sr. No. 2581
Dated 27.1.95

The Myanmar Investment Commission

PERMIT

Permit No. 055/92 *Date* 27th JANUARY, 1995

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter DIRECTOR GENERAL, ENERGY PLANNING DEPARTMENT

(b) Citizenship

(c) Address 23 PYAY ROAD, YANGON

(d) Name and address of principal organization MINISTRY OF ENERGY, 23 PYAY ROAD, YANGON

(e) Place of incorporation YANGON MYANMAR

(f) Type of business in which investment is to be made APPRAISAL, DEVELOPMENT AND PRODUCTION OF PETROLEUM

(g) Place (s) at which investment is permitted MOATTAMA OFFSHORE BLOCKS M-5 & M-6

(h) Amount of foreign capital US $ 455 MILLION

(i) Period for bringing in foreign capital 4 YEARS (1995 - 1998)

(j) Total amount of capital (Kyat) EQUIVALENT OF US $ 455 MILLION

(k) Permitted duration of investment 30 YEARS OF COMMERCIAL PRODUCTION

(l) Name of the economic organization to be formed in Myanmar TOTAL MYANMAR EXPLORATION AND PRODUCTION SA

Chairman

The Myanmar Investment Commission

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION
653 - 691 Merchant Street, Yangon.

Our Ref: Ya Ka-1/082/94(2581)
Dated, 27 January 1995.

Tel : 72009, 72855
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Subject : Decision of the Myanmar Investment Commission on the Proposal for "Appraisal, Development and Production of Petroleum" under the name of "Total Myanmar Exploration and Production SA".

Reference: Ministry of Energy letter No. 008/43-1/Hta, dated 9-1-95.

1. The Myanmar Investment Commission, at its meeting 1/95 held on 12-1-95 had reviewed the proposal for extension of investment period in "Appraisal, Development and Production of Petroleum" under the name of "Total Myanmar Exploration and Production SA" under Production Sharing Contract dated 9-7-92 and the supplementary Letter dated 24-12-93 between Total Myanmar Exploration and Production SA and Myanma Oil and Gas Enterprise. After careful review, it was deliberated that the proposed extended term be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting (3/95) held on 18-1-95 resolved to permit the extended term of the said project. Hence, the "Permit" is herewith re-issued in accordance with Chapter VI, Article 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Paragraph 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be extended up to 30(Thirty) years of commercial operation. The amount of investment for the project shall be United States Dollars 455 million.

4. The exemptions, reliefs and other appropriate privileges granted for the project shall be the same as those prescribed in vide letter No. Na Ya-2/175/92(169) dated 8-7-92 issued by the Commission.

5. Total Myanmar Exploration and Production SA shall have to sign Supplementary Letter No. 2 with Myanma Oil and Gas Enterprise for the operation. After signing such Supplementary Letter No. 2, (5) copies of such Letter shall be forwarded to the Commission.

6. Total Myanmar Exploration and Production SA, in consultation with the Department of Company Administration, Directorate of Investment and Company Administration shall file the increment of its capital, if necessary.

7. The official date of operation shall be reported to the Commission.

8. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal.

9. In order to evaluate foreign capital in terms of kyats and for the purpose of its registration in accordance with the provision under Article-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened;

(b) the detailed lists of the type and value of foreign capital defined under Article-2(h) of the Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Sub-Committee.

10. After all types of foreign capital(foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)].

11. Total Myanmar Exploration and Production SA shall be responsible for the preservation of the environment at and around the area of the project site. Hence it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94(0440) dated 30-6-94[Annexure (2)] to undertake all proper treatment systems and other necessary environmental control systems.

12. Total Myanmar Exploration and Production SA shall follow the procedures prescribed by the Commission, vide letter No. Ya Ka-1/408/94(0424) dated 29-6-94 [Annexure(3)] to expedite the clearance of imports of capital and inter-industry use goods brought in as capital investment and raw materials required during the initial 3-year operation period.

13. Total Myanmar Exploration and Production SA in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VII, Paragraph 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

By Order,

Brig.-Gen. D. O. Abel
Secretary
(Minister, Ministry of National Planning
and Economic Development)

Director General
Energy Planning Department
Ministry of Energy.

cc: 1. Office of the Chairman of State Law and Order Restoration Council.
2. Office of the State Law and Order Restoration Council.
3. Office of the Government of the Union of Myanmar.
4. Ministry of National Planning and Economic Development.
5. Ministry of Finance [illegible] venue.
6. Ministry of Trade.

7. Ministry of Energy.
8. Ministry of Foreign Affairs.
9. Ministry of Home Affairs.
10. Ministry of Labour.
11. Chairman, Committee for Assisting the Myanmar Investment Commission(Governor, Central Bank of Myanmar).
12. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Equipment Statistics and Inspection Department).
13. Director General, Customs Department.
14. Director General, Internal Revenue Department.
15. Managing Director, Myanma Insurance.
16. Director General, Directorate of Trade.
17. Director General, Immigration and Manpower Department.
18. Director General, Directorate of Labour.
19. Chairman, Union of Myanmar Chamber of Commerce and Industry.
20 Director, Department of Company Administration, Directorate of Investment and Company Administration.